

H.R. 3219: Make America Secure Appropriations Act, 2018 (Rep. Granger, R-TX)

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FLOOR SCHEDULE:

H.R. 3219 is expected to be considered beginning on July 26, 2017, under a **structured rule**. The rule is expected to make **Rules Committee Print 115-30** the base bill for purposes of amendment.

The Rules Committee Print includes the text of H.R. 3219, the Defense Appropriations bill (with a modification); H.R. 3162, the Legislative Branch appropriations bill; H.R. 2998, the Military Construction and Veterans' Affairs appropriations bill; and H.R. 3266, the Energy and Water Appropriations bill as reported by the House Appropriations Committee. The Rules Committee Print strikes a Rep. Barbara Lee amendment from the Defense Appropriations bill that would have sunset the **2001 Authorization of the Use of Military Force (AUMF)** and replaces it with a provision that requires a report from the President on the strategy to defeat Al-Qaeda, the Taliban, the Islamic State of Iraq and Syria (ISIS), including the adequacy of the current AUMFs in force.

The rule is further expected to self-execute an amendment appropriating \$1.6 billion for construction of physical barriers along the southwest border of the United States.

Amendments made in order under the Rule will be summarized in additional Legislative Bulletins as they become available.

TOPLINE SUMMARY:

The <u>Rules Committee Print</u> would provide appropriations for the agencies funded by the Defense, Legislative Branch, Military Construction and Veterans' Affairs, and Energy and Water Appropriations acts.

COST:

According to the <u>Congressional Budget Office</u> (CBO), the Rules Committee Print provides a net total of \$713 billion in base discretionary spending. Of this total, \$614 billion is for defense purposes and \$99 billion is for non-defense purposes.

Additionally, the bill would provide \$75 billion for cap-exempt Overseas Contingency Operations (OCO) funding.

The bill is written at a level that would comply with the \$1.133 trillion base discretionary spending level provided by the FY 2018 budget resolution that was reported by the House Budget Committee on

July 19, 2017. The budget resolution would provide \$622 billion for base defense and \$511 billion for base non-defense as well as \$75 billion for defense OCO.

The Budget Control Act caps for FY 2018 are \$549 billion for defense and \$516 billion for non-defense. According to <u>CBO</u>, "if the Make America Secure Appropriations Act, 2018, were enacted in its current form, the amount of discretionary budget authority provided in that legislation for defense programs for fiscal year 2018 would exceed its limit by approximately \$65 billion and therefore would require a sequestration."

The <u>president's budget request</u> includes \$603 billion for base defense and \$462 billion for base non-defense, in addition to \$65 billion in defense OCO.

CONSERVATIVE CONCERNS:

On June 9, 2017, the Republican Study Committee's Steering Committee <u>adopted the following official</u> <u>position</u>:

The Republican Study Committee supports the consideration of a consolidated, full-year appropriations bill for FY 2018, with an amendment process, prior to the August recess.

Since FY 2006, Congress has been unable to complete the full-year appropriations process. The last two decades have been marked by repeated continuing resolutions and massive bills that too often were forced on Members at the last minute as a take-it-or-leave-it choice.

Some conservatives may be concerned that the Make America Secure Appropriations Act follows the strategy of recent years by passing a handful of relatively uncontroversial appropriations bills while failing to come to a consensus as a Republican majority in the House on the remaining bills. Failing to pass all twelve appropriations bills alleviates the pressure on the Senate to do its job.

Further, some conservatives may be concerned that this "national security minibus" fails to include funding for vital agencies that defend the homeland, such as Customs and Border Protection, Immigration and Customs Enforcement, the Federal Bureau of Investigations, and the Department of Homeland Security.

- **Expand the Size and Scope of the Federal Government?** Yes, the bill would increase spending above current levels.
- **Encroach into State or Local Authority?** Some conservatives may believe that some of the programs funded by the bill encroach into state and local authority.
- Delegate Any Legislative Authority to the Executive Branch? No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No, according to the Committee Reports for the underlying bills.

DETAILED SUMMARY AND ANALYSIS:

- Division A: Defense
- Division B: Legislative Branch
- <u>Division C: Military Construction and Veterans' Affairs</u>
- Division D: Energy and Water

Division A: Department Of Defense Appropriations Act, 2018

The legislative text for the FY 2018 Department Of Defense Appropriations Act can be found here, and the Committee Report can be found here.

The bill would provide a net total of \$516.115 billion in Fiscal Year 2018 base discretionary budget authority that is subject to the Budget Control Act (BCA) discretionary spending caps (as increased by the Bipartisan Budget Act of 2015 (BBA15)).

In thousands of Dollars

	FY17 Enacted	FY18 President's Request	FY18 House Level
Net Total Base Discretionary	516,115,000	558,414,406	584,694,519

Net Total Base Discretionary Budget Authority is:

- \$26.28 billion above President Trump's budget request.
- \$68.580 billion above the enacted FY 2017 level.

The bill also includes \$73.934 billion in Overseas Contingency Operations (OCO/GWOT) funding that is exempt from the BCA spending caps, of which \$10 billion are designated for base purposes.

Total Department of Defense Appropriations <i>In Thousands of Dollars</i>					
Base Appropriations	584,694,519				
OCO Appropriations	73,934,000				
Total FY 2017 DOD Appropriations	658,628,519				

In total, the bill would provide \$658.629 billion in appropriations for the Department of Defense.

Title I: Active, Reserve, And National Guard Military Personnel

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President's Request	FY18 House Level	New FY18 vs 17 Enacted	New FY18 vs President
128,725,978	133,881,636	132,977,586	+ 4,251,608	- 904,050

Military Personnel would be appropriated \$132.978 billion, a level that is \$904 million below President Trump's budget request and \$4.252 billion above the FY 17 enacted level.



Military Personnel End Strength: The bill would provide funding to support end-strength levels of 27,800 above those authorized in FY 2017 and 17,000 above President Trump's budget request. A summary of end-strength personnel levels is below and a more detailed table can be found in the committee report:

End Strength	FY17 Enacted	FY18 President's Request	FY18 House Level	New FY18 vs 17 Enacted	New FY18 vs President
Total, Active Forces	1,305,900	1,314,000	1,324,000	+ 18,100	+ 10,000
Total, Selected Reserve	813,200	815,900	822,900	+ 9,700	+ 7,000
Total, Military Personnel	2,119,100	2,129,900	2,146,900	+ 27,800	+ 17,000

Military Pay Raise: The bill would provide funding to increase pay for all military personnel by 2.4 percent effective January 1, 2018.

Title II: Operation and Maintenance

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President's Request	FY18 House Level	New FY18 vs 17 Enacted	New FY18 vs President

Operation and Maintenance (0&M) would be appropriated \$191.564 billion, a level that is \$2.994 billion above President Trump's budget request and \$23.961 billion above the FY 2017 enacted level.

A detailed table of O&M base appropriations can be found in the committee report.

Sexual Assault Special Victims' Counsel Program: The bill would provide \$25 million for the Sexual Assault Special Victims' Counsel Program.

Title III: Procurement

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President's Request	FY18 House Level	New FY18 vs 17 Enacted	New FY18 vs President
108,426,827	113,906,877	132,501,445	+ 24,074,618	+ 18,594,568

Procurement would be appropriated \$132.501 billion, a level that is \$18.595 billion above President Trump's budget request and \$24.075 billion above the FY 2017 enacted level.

A detailed table of Procurement base appropriations can be found in the committee report.

Title IV: Research, Development, Test and Evaluation

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President's Request	FY18 House Level	New FY18 vs 17 Enacted	New FY18 vs President
72,301,587	82,716,636	82,654,976	+ 10,353,389	- 61,660

Research, Development, Test and Evaluation (RDT&E) would be appropriated \$25.655 billion, a level that is \$61.66 million below President Trump's budget request and \$10.353 billion above the FY 2017 enacted level.

A detailed table of RDT&E base appropriations can be found in the committee report.

Title VI: Other Department of Defense Programs

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President's Request	FY18 House Level	New FY18 vs 17 Enacted	New FY18 vs President
35,615,831	35,868,136	36,084,999	+ 469,168	+ 216,863

Other Defense Programs would be appropriated \$36.085 billion, a level that is \$216.86 million above President Trump's budget request and \$469.19 million above the FY 2017 enacted level.

Defense Health Program: The bill would provide \$33.932 billion for the Defense Health Program, a level that is \$267 million above President Trump's budget request and \$150 million above the FY 2017 enacted level.

The primary mission of the Defense Health Program is to "provide for worldwide medical and dental services to active forces and other eligible beneficiaries." Within this total, \$31.735 billion is for Operations and Maintenance, \$895 million is for Procurement, and \$1.3 billion is for Research, Development, Test, and Evaluation (RDT&E).

As part of RDT&E, the Congressionally Directed Medical Research Program (CDMRP) is funded at \$627.1 million above the president's budget request. According to CRS, "Members of Congress are frequently lobbied to support adding funding to the annual defense appropriation for medical research on a wide variety of diseases and topics." While medical research is a laudable activity, some conservatives may be concerned that many of the programs funded within the CDMRP are not for military-specific conditions and are duplicative of the type of research done at the National Institutes of Health (NIH). According to Taxpayers for Common Sense, "These programs are clearly earmarks and therefore take money away from other necessary Defense Department functions."

The bill provides research funding for:

- alcohol and substance abuse disorders research
- ALS research alzheimer research

- autism research
- bone marrow failure disease research
- breast cancer research

- cancer research
- Duchenne muscular dystrophy research
- gulf war illness research
- hearing restoration research
- kidney cancer research
- lung cancer research
- lupus research
- multiple sclerosis research
- orthopedic research
- ovarian cancer research
- prostate cancer research

- spinal cord research
- reconstructive transplant research
- tickborne disease research
- traumatic brain injury and psychological health research
- tuberous sclerosis complex research
- vision research
- Global HIV/AIDS prevention
- HIV/AIDS program increase
- Joint warfighter medical research
- Trauma clinical research program

Title VII: Related Agencies

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President's Request	FY18 House Level	vs	FY18 17 acted	New FY18 vs President

The related agencies funded by the bill would be appropriated \$1.03 billion, a level that is \$9 million below President Trump's budget request and \$6.5 million above the FY 2017 enacted level.

Classified Programs: This title would provide for classified programs, including the Director of National Intelligence, the Intelligence Community Management staff, the Central Intelligence Agency (CIA), the Defense Intelligence Agency, the National Reconnaissance Office, the National Security Agency, the National Geospatial-Intelligence Agency, the intelligence services of the Departments of the Army, Navy, Air Force, and the CIA Retirement and Disability fund. The majority of this information is published in the classified annex.

Title IX: Global War on Terrorism (GWOT)/Overseas Contingency Operations (OCO) *Net Total Discretionary in Thousands of Dollars*

FY17 Enacted	FY18 President's Request	FY18 House Level	New FY18 vs 17 Enacted	New FY18 vs President
61,822,000	63,934,870	73,934,000	+ 12,112,000	+ 9,999,130

OCO/GWOT would be appropriated \$73.934 billion, a level that is \$9.999 billion above President Trump's budget request and \$12.112 billion above the FY 2017 enacted level. This would include \$10 billion for base defense purposes.

Personnel: The bill would provide a total of \$5.276 billion in OCO Military Personnel funding.

Operations and Maintenance (O&M): The bill would provide a total of \$49.269 billion in OCO military O&M funding.



The bill would provide \$1.769 billion for the Counter-ISIL Train and Equip Fund, \$789 million more than the FY 17 enacted level.

Procurement: The bill would provide a total of \$16.463 billion in OCO military Procurement funding.

Research, Development, Test and Evaluation (RDT&E): The bill would provide a total of \$1.615 billion in OCO RDT&E funding.

MAJOR POLICY PROVISIONS:

2001 AUMF: The bill would not include a provision adopted during the Appropriations Committee markup of the bill from Rep. Barbara Lee to repeal the 2001 Authorization for Use of Military Force.

Guantanamo Detainees: The bill would prohibit funds to transfer or release any detainee held at Guantanamo Bay into the U.S, modify any facility in the U.S. to house any Guantanamo detainee, and prohibit the use of funds to close or transfer the jurisdiction of the Naval Station Guantanamo Bay.

War Powers Resolution: The bill would prohibit the use of funds in contravention of the War Powers Resolution. The bill would also specifically prohibit the use of funds in contravention of the War Powers Resolution in Iraq.

Support for Israel: The bill would provide \$705.8 million in direct support for Israel, including \$92 million for Iron Dome, \$205 million for upper-tier missile defense, and \$225.1 million for Short Range Ballistic Missile Defense.

Second Amendment Provisions: The bill would prohibit funding to implement the U.N. Arms Trade Treaty unless it is ratified by the Senate, and would prohibit the DOD from demilitarizing or disposing of M–1 Carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles, .30 caliber rifles, or M–1911 pistols or to destroy small arms ammunition that is not otherwise prohibited for commercial sale by federal law.

Rosoboronexport: The bill would prohibit funding for contracts, agreements, grants, loans, or other agreements with the Rosoboronexport company unless certain conditions are met, such as a prohibition on Rosoboronexport contracts with Syria and a requirement that the Russian Federation withdraws armed forces from Ukraine. Rosoboronexport is the Russian state sole-source export company for defense and dual-use products.

Intelligence: The bill would prohibit the use of funds for integration of foreign intelligence information unless the information has been lawfully collected and processed during the conduct of authorized foreign intelligence activities and that information pertaining to United States persons shall only be handled in accordance with protections provided in the Fourth Amendment of the United States Constitution as implemented through Executive Order No. 12333.

FISA: The bill would prohibit the use of funds for the National Security Agency (NSA) to "conduct an acquisition pursuant to section 702 of the Foreign Intelligence Surveillance Act of 1978 for the purpose of targeting a United States person; or acquire, monitor, or store the contents of any electronic communication of a United States person from a provider of electronic communication services to the public pursuant to section 501 of the Foreign Intelligence Surveillance Act of 1978."

BRAC: The bill would prohibit the use of funds for Base Realignment and Closure. The administration's statement of administration policy for the FY 2018 NDAA expressed opposition to such prohibition, which was also contained in that bill.

Prohibition on Assistance to North Korea: The bill would prohibit funding from being obligated or expended for assistance to the Democratic People's Republic of Korea unless specifically appropriated for that purpose.

Sale of Tobacco Products: The bill would prohibit the sale of tobacco products in military resale outlets below the most competitive price in the local community.

Evolved Expendable Launch Vehicle Procurement: The bill would require that the Evolved Expendable Launch Vehicle (EELV) competitive procurements be open for award to all certified providers of EELV-class systems and that the award shall be made to the provider that offers the best value to the government.

Grants to the Red Cross and the USO: The bill would provide \$20 million for the United Service Organizations (USO) and \$24 million to the Red Cross.

Fisher House: The bill would provide \$11 million for Fisher Houses that provide free housing to the families of wounded warriors while they are receiving hospital treatment.

Protectionism: The bill included protectionist "buy American" provisions for: supercomputers, ball and roller bearings, anchors and chains, flags, and carbon, alloy, and armor steel plate.

The bill also subjects all funds made available by the bill to the Buy American Act, and requires the Secretary of Defense to consider disbarring any individual from contracting with the Department who has been convicted of intentionally misusing a "made in America" label.

Army Contracting Command—New Jersey: The bill would prohibit the use of funds to eliminate, restructure, realign, or make disproportionate personnel reductions at Army Contracting Command—New Jersey sites without 30-day notification to Congress. Picatinny Arsenal is located in New Jersey's 11th Congressional District.

Division B: Legislative Branch Appropriations Act, 2018

The legislative text for the FY 2018 Legislative Branch Appropriations Act can be found here, and the Committee Report can be found here.

Overall Spending

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
3,480,416	3,806,464	3,580,416	+ 100,000	- 226,048

The FY 2018 Legislative Branch Appropriations Act provides a total of \$3.58 billion, a level that is \$100 million above the FY 2017 enacted level and \$226 million below the requested level.

In keeping with tradition that allows each chamber to allocate its own funding priorities, this bill excludes Senate-only items.

House of Representatives

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
1,189,049	1,223,187	1,194,049	+ 5,000	- 29,138

The bill would provide \$1.194 billion for the House of Representatives, a level \$29 million below the president's budget request and \$5 million above the FY 2017 enacted level.

House Leadership Offices: The bill would provide \$22 million for the House Leadership Offices, a level equal to the president's budget request and the FY 2017 enacted level.

Members Representational Allowances (MRAs): The bill would provide \$563 million for the House MRAs, a level \$4.4 million below the president's budget request and equal to the FY 2017 enacted level.

House Committees: The bill would provide \$150 million for the House MRAs, a level \$2 million below the president's budget request and \$45,000 below the FY 2017 enacted level.

House Officers and Employees: The bill would provide \$198 million for the House Officers and Employees, a level \$4.6 million below the president's budget request and \$17 million above the FY 2017 enacted level. This account provides funding for salaries for the Office of the Clerk, Office of the Sergeant at Arms, Office of the Chief Administrative Officer, Office of the Parliamentarian, Office of the Legislative Counsel, and other employees of the House.

Allowances and Expenses: The bill would provide \$261 million for the House Allowances and Expenses, a level \$18 million below the president's budget request and \$12 million below the FY 2017 enacted level. This account provides for supplies, administrative expenses, employee benefits, and costs of official mail for House Committees, leadership, and administrative offices.

Joint Items

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
19,565	20,654	19,940	+ 375	- 714

The bill would provide \$20 million for the Joint House and Senate Items, a level \$714,000 below the president's budget request and \$375,000 above the FY 2017 enacted level. This includes funding for the Joint Committee on Taxation, the Joint Economic Committee, and the Office of the Attending Physician.

Capitol Police

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
393,300	422,307	422,500	+ 29,200	+ 193

The bill would provide \$423 million for the Capitol Police, a level \$193,000 above the president's budget request and \$29 million above the FY 2017 enacted level.

Congressional Budget Office (CBO)

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
46,500	49,945	48,500	+ 2,000	- 1,445

The bill provides \$47 million for the CBO, a level \$1.4 million below to the president's budget request and \$2 million above to the FY 2017 enacted level.

Architect of the Capitol (AOC)

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
529,481	672,919	581,837	+ 52,356	- 91,082

The bill would provide \$582 million for the AOC (excluding Senate-only items), a level \$91 million below the president's budget request and \$52 million above the FY 2017 enacted level.

This includes \$93 million for Capitol Building Operation and Maintenance, \$179 million for House Office Buildings, 76 million for Library Buildings and Grounds, \$107 million for the Capitol power Plant, and \$13 million for the Botanical Garden.

Library of Congress (LOC)

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
631,958	703,420	648,027	+ 16,069	- 55,393

The bill would provide \$648 million for the LOC, a level \$55 million below the president's budget request and \$16 million above the FY 2017 enacted level.

Government Publishing Office (GPO)

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
117,068	117,068	117,068	0	0

The bill would provide \$117 million for the GPO, a level equal to the president's budget request and equal to the FY 2017 enacted level.

Government Accountability Office (GAO)

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
544,506	590,678	544,506	0	- 46,172

The bill would provide \$568 million for the GAO, a level \$46 million below the president's budget request and \$450,000 above the FY 2017 enacted level. The GAO also has the ability to spend \$24 million in offsetting collections. The GAO works for Congress by providing oversight and investigations of federal programs.

Open World Leadership Center

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
5,600	5,800	5,600	0	- 200

The bill would provide \$5.6 million for the Open World Leadership Center, a level \$200,000 below the president's budget request and equal to the FY 2017 enacted level.

The <u>Open World Leadership Center</u> is a legislative branch program meant to promote democracy in Russia and other Eurasian countries. Previous Legislative Branch appropriations bills have called for eliminating this duplicative agency.

John C. Stennis Center for Public Service Training and Development

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
430	430	430	0	0

The bill provides \$430,000 for the Stennis Center, a level equal to the president's budget request and equal to the FY 2017 enacted level.

The <u>Stennis Center</u> is a legislative branch program meant to "attract young people to careers in public service." <u>Senator Stennis</u> (D-MS) served from 1947 until 1989. The bill provides \$430,000 for the Center, despite the fact that it has access to other sources of funding. The center was created by Congress in 1988 with an initial funding of \$7.5 million in Special Issue Treasury securities and the center has the ability to draw funding from the interest on these securities.

MAJOR POLICY PROVISIONS:

Members Pay Increases: The bill would prohibit a cost of living increase for members during FY 2018.

Unspent MRAs: The bill would provide that unspent MRA funds be used for deficit reduction.

Zero-Base Budgeting: The bill would direct all agencies funded by the bill to utilize zero-base budgeting, which does not assume increases from year to year. The RSC Budget called for this fiscally-responsible budgeting to be used government-wide.

Limitation on Leased Vehicles: The bill would limit spending on leased vehicles using MRA funds to no more than \$1,000 per month.

Prohibiting Delivery of Certain Printed Items: The bill would prohibit funds for the delivery of printed copies of bills, resolutions, the Congressional Record, the Statements of Disbursements, the Daily Calendar, and the Congressional Pictorial Directory.

Limitation of Print Copies of the U.S. Code: The bill would limit the total number of printed copies of the U.S. Code to no more than 50 copies for the House of Representatives.

Prohibition on Bonus to Contractors Behind Schedule or Over Budget: The bill would prohibit the payment of bonuses to contractors that are behind schedule or over budget.

Prohibition on Scrims: The bill would prohibit funds for scrims (cloth building facade showing a picture of the building during construction).

Sledding: The Committee Report includes language that would instruct the Capitol Police to allow sledding on Capitol Hill.

Staff-Led Tours: The bill would prohibit funds from being used to eliminate or restrict staff and intern-led tours of the Capitol, other than temporary suspensions by order of the Capitol Police Board.

Public Access to CRS Reports: The Committee Report includes language directing CRS to make all non-confidential reports available to the public.

Division C: Military Construction, Veterans Affairs, And Related Agencies Appropriations Act, 2018

The legislative text for the FY 2018 Military Construction and Veterans Affairs Appropriations Act can be found here, and the Committee Report can be found here.

Overall Spending

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
82,376,000	88,739,291	88,166,000	5,790,000	- 573,291

The FY 2018 Military Construction and Veterans Affairs Appropriations Act provides a net total of \$88.166 billion in base discretionary budget authority, a level that is \$5.792 billion above the FY 2017 enacted level and \$573 million below the requested level. The bill also includes \$638 million in cap-exempt Overseas Contingency Operations (OCO) funding.

\$66.385 billion in FY 2018 funds for veterans' health benefits have been appropriated in advance by previously enacted legislation. This bill contains \$70.699 billion in advance appropriations for veterans' health benefits for FY 2019.

The bill also provides \$103.948 billion in mandatory spending for veterans' benefit programs.

Title I: Military Construction:

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
7,726,000	9,782,451	9,585,000	+ 1,859,000	- 197,451

The bill provides \$9.585 billion for military construction, a level \$197 million below the president's budget request and \$1.859 million above the FY 2017 enacted level. This account provides for a variety of both domestic and foreign construction projects, including family housing. A table showing the breakdown of construction funding by Service Branch can be found here. A list of construction projects by state and country can be found <a href=here.

Title II: Department of Veterans Affairs:

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
74,408,855	78,713,032	78,329,200	+ 3,920,345	- 383,832

The bill provides \$78.329 billion in net total discretionary funding for the Department of Veterans Affairs, a level is \$3.92 billion above the FY 2017 enacted level and \$384 million below the president's budget request.

VA Claims Backlog: According to the <u>most recent report</u> from the VA, 364,884 veterans' claims remain pending with the VA, including 90,640 that have been pending for more than 125 days. To address this problem, the bill provides \$2.894 billion for General Operating Expenses for the Veterans Benefits Administration, an amount \$38 million above the FY 2017 enacted level and \$50 million above the president's budget request.

Advance Appropriations for Veterans Health Administration: The <u>Fiscal Year 2017 Military Construction and Veterans Affairs Appropriations bill</u> provided \$66.385 billion in advance appropriations FY 2018 funds for veterans' health benefits.

The bill includes \$2.65 million in additional FY 2018 funding for medical services, equal to the president's budget request.

The bill contains \$70.699 billion in advance appropriations for veterans' health benefits for FY 2019, an amount equal to the president's budget request.

Mental Health: The bill provides \$8.353 billion for VA mental health programs, an amount equal to the president's budget request.

Opioids: The bill includes \$56 million for opioid addiction prevention and recovery authorized by the Comprehensive Addiction and Recovery Act (CARA).

Medical and Prosthetic Research: The bill includes \$698 million for medical and prosthetic research, a level that is \$23 million above the FY 2017 enacted level and \$58 million above the president's budget request.

IT Systems: The bill includes \$4.136 billion for the VA information technology systems, a level that is \$143 million below the FY 2017 enacted level and \$80 million above the president's budget request.

VA Office of Inspector General: The bill provides \$160 million for the VA Office of Inspector General, equal to the enacted FY 20176 level and \$500,000 above the president's budget request.

VA Construction: The bill provides \$411 million for major VA construction projects, an amount \$102 million below the president's budget request and \$118 million below the FY 2017 enacted level.

Additionally, the bill provides \$343 million for minor VA construction projects, equal to the president's budget request and \$29 million below the FY 2017 enacted level.

Title III: Related Agencies:

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
241,145	243,808	251,800	+ 10,655	+ 7,992

The bill provides a total of \$252 million for the other related agencies funded by the bill, including the American Battle Monuments Commission, the U.S. Court of Appeals for Veterans Claims, Army Commentarial Expenses, and the Armed Forces Retirement Home.

Title IV: Overseas Contingency Operations (OCO):

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
419,733	638,130	638,000	+ 218,267	- 130

The bill provides a total of \$628 million for military construction projects funded using OCO. This level is \$130,000 below the president's budget request and \$218 million above the enacted FY 2017 level. OCO spending is exempted from the annual spending caps established by the Budget Control Act. A list of construction projects funded by Title IV can be found here.

MAJOR POLICY PROVISIONS:

Guantanamo Bay: The bill includes language prohibiting the use of funds for the renovation, expansion, or construction of any facility in the continental United States for the purpose of housing any individual who has been detained at Guantanamo Bay. The bill also includes a rider prohibiting the use of funds to close Guantanamo Bay.

Electronic Health Records: The bill withholds 75 percent of funding for the Military Health System (MHS) Genesis record system until the VA provides information related to the procurement and plan for implementing the electronic health record system.

American Steel: The bill includes a rider that prohibits the procurement of steel unless American producers have been allowed to compete.

Excess Facilities: The Committee Report directs the Department of Defense to report to Congress detailing each DOD facility with a utilization rate of less than 50 percent of available capacity. According to the Committee Report, an estimated 22 percent of DOD facilities are in excess of mission requirements.

Climate Change and Coastal Erosion: The Committee Report directs the Department of Defense to report to Congress regarding vulnerabilities to climate-related security risks.

Division D: Energy And Water Development And Related Agencies Appropriations Act, 2018

The legislative text for the FY 2018 Energy And Water Appropriations Act can be found <u>here</u>, and the Committee Report can be found <u>here</u>.

Overall Spending

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
37,771,000	34 ,321,139	37,562,000	- 209,000	+ 3,240,861

The FY 2018 Energy And Water Appropriations Act provides a total of \$37.562 billion, a level that is \$209 million below the FY 2017 enacted level and \$3.241 billion above the requested level.

Within this total, \$20.456 billion is for defense purposes and \$17.106 billion.

Title I: Corps of Engineers - Civil

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
6,037,764	5,002,000	6,157,764	+ 120,000	+ 1,155,764

The Army Corps of Engineers is appropriated \$6.158 billion, a level that is \$1.156 billion above the president's budget request and \$120 million above the FY 2017 enacted level.

New Starts: The bill provides funding for six new study starts and two new construction starts.

Additional Funding for Ongoing Work: The bill provides a total of \$965 million in additional funding for authorized projects not specifically included in the president's budget request in the accounts that fund ongoing Corps work.

The administration is given authority to allocate these funds to a project if: (1) it has received funding, other than through a reprogramming, in at least one of the previous three fiscal years; (2) it was previously funded and could reach a significant milestone or produce significant outputs in FY 2018; or, (3) it is selected as one of the new starts allowed by the bill. The Corps is required to submit a work plan within 60 days of enactment. These allocations allow the Congress to fund projects in addition to just those included in the president's budget, while staying compliant with the earmark ban, because the bill does not specify which projects should be supported with these funds.

Investigations: The Investigations Account is appropriated \$105 million, a level that is \$19 million above the president's budget request and \$16 million below the FY 2017 enacted level. This account funds studies to determine the need for and feasibility of Corps projects as well as preconstruction engineering and design. The specific projects that are funded can be found in the <u>Committee Report</u>.

Construction: The Construction Account is appropriated \$1.697 billion, a level that is \$677 million above the president's budget request and \$179 million below the FY 2017 enacted level. This account funds the construction and major rehabilitation of water infrastructure projects. The specific projects that are funded can be found in the Committee Report.

Mississippi River and Tributaries: The Mississippi River and Tributaries Account is appropriated \$301 million, a level that is \$48 million above the president's budget request and \$61 million below the FY 2017 enacted level. This account funds planning, construction, and operations and maintenance of flood control projects in the lower Mississippi River Valley. The specific projects that are funded can be found in the Committee Report.

Operation and Maintenance: The Operation and Maintenance Account is appropriated \$3.519 billion, a level that is \$419 million above the president's budget request and \$370 million above the FY 2017 enacted level. This account funds activities such as dredging, repair, aquatic plant control, monitoring of completed projects, removal of sunken vessels, and the collection of waterborne commerce statistics. The specific projects that are funded can be found in the <u>Committee Report</u>.

Regulatory Program: The Regulatory Program account is appropriated \$200 million, a level that is equal to the president's budget request and the FY 2017 enacted level. This account funds the administration of laws that regulate activities affecting U.S. Waters.

Title II: Department of the Interior

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
1,317,000	1,106,376	1,238,149	- 78,851	+ 131,773

The agencies within the Department of the Interior funded by the bill are appropriated \$1.238 billion, a level that is \$132 million above the president's budget request and \$79 million below the FY 2017 enacted level.

Bureau of Reclamation: The Bureau of Reclamation is appropriated \$1.229 billion, a level that is \$132 million above the president's budget request and \$77 million below the FY 2017 enacted level. The Bureau of Reclamation is charged with managing water resources in 17 western states. The specific projects that are funded can be found in the Committee Report.

Title III: Department of Energy

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
30,746,009	27,870,597	29,888,401	- 857,608	+ 2,017,804

The Department of Energy (DOE) is appropriated \$29.888 billion, a level that is \$2.018 billion above the president's budget request and \$858 million below the FY 2017 enacted level.

Yucca Mountain: Under the Nuclear Waste Policy Act of 1982, the federal government has a legal responsibility to assume responsibility for spent civilian nuclear fuel. In 2013, the D.C. Circuit Court of Appeals ruled that the Obama administration's refusal to complete the Yucca project was in contravention of the Nuclear Waste Policy Act.

The bill provides \$150 million for restarting the adjudication of the Yucca Mountain license application. The bill also prohibits any funds to be used to close Yucca Mountain.

Energy Efficiency and Renewable Energy (EERE): EERE is appropriated \$1.104 billion, a level that is \$468 million above the president's budget request and \$986 million below the FY 2017 enacted level. This program subsidizes "green energy" projects, research, and development.

The <u>RSC Budget</u> proposes eliminating this account, stating: "Not only does this allow the federal government to pick winners and losers, but also it limits research to a small sector of the energy economy—renewables. The U.S. should pursue a market-based, all-of-the-above energy policy."

Electricity Delivery and Energy Reliability: Electricity Delivery and Energy Reliability is appropriated \$219 million, a level that is \$99 million above the president's budget request and \$12 million above the FY 2017 enacted level. This program is meant to "increase the efficiency, resilience, and security" of our electricity system.

The <u>RSC Budget</u> proposes eliminating this account, stating: "Many of these activities would be more appropriately handled by the private sector or other agencies, such as the Federal Energy Regulatory Commission (FERC)."

Nuclear Energy: The Nuclear Energy program is appropriated \$969 million, a level that is \$266 million above the president's budget request and \$48 million below the FY 2017 enacted level. This program conducts research to develop new nuclear reactors.

The <u>RSC Budget</u> proposes eliminating this account, stating: "It is inappropriate for the federal government to conduct research that would otherwise be carried out by private industry."

Fossil Energy Research and Development: Fossil Energy Research and Development is appropriated \$635 million, a level that is \$355 million above the president's budget request and \$33 million below the FY 2017 enacted level. This program conducts research on fossil fuels, such as coal, oil, and natural gas.

The <u>RSC Budget</u> proposes eliminating this account, stating: "Instead of government-directed subsidies, the U.S. should pursue a market-oriented "all of the above" energy strategy."

Strategic Petroleum Reserve (SPR): The SPR is provided \$252 million, a level that is \$72 million above the president's budget request and \$29 million above the FY 2017 enacted level.

Strategic Petroleum Reserve Sale: Sec 307 of the bill requires the Secretary of Energy to draw down and sell up to \$8.4 million of crude oil from the SPR in FY 2018. This draw down and sale is in addition to the required sales pursuant to the <u>Bipartisan Budget Act of 2015</u> and the <u>21st Century Cures Act</u>. The bill further provides that the proceeds from this sale shall be made available for the costs of the sales authorized by the Bipartisan Budget Act of 2015 and the 21st Century Cures Act.

Uranium Enrichment Decontamination and Decommissioning Fund: The fund is appropriated \$768 million, a level that is \$15 million above the president's budget request and equal to the FY 2017 enacted level. This Fund is meant to pay for cleanup activities at plants in Portsmouth, Ohio; Paducah, Kentucky; and the East Tennessee Technology Park in Oak Ridge, Tennessee.

DOE Office of Science: The DOE Office of Science is appropriated \$5.4 billion, a level that is \$919 million above the president's budget request and equal to the FY 2017 enacted level. The Office of Science funds physics, biology, and chemistry science research at national laboratories and universities.

Title 17 Innovative Technology Loan Guarantee Program Administrative Expenses: The bill appropriates \$2 million for administrative expenses for the Title 17 program, allows for \$2 million in offsetting collections, and rescinds \$411 million of prior-year balances, for a net appropriation of -\$411 million.

The <u>RSC Budget</u> proposes eliminating this account, stating: "This is the program that gave us the Solyndra scandal, with taxpayers losing more than \$500 million after the Obama administration gambled on a politically favored company."

Advanced Technology Vehicles Manufacturing Loan Program: The Advanced Technology Vehicles Manufacturing Loan Program is appropriated \$5 million for administrative expenses, a level that is \$3 million above the president's budget request and equal to the FY 2017 enacted level. This program provides guaranteed loans to automotive companies to support the development of "greener" cars.

The <u>RSC Budget</u> proposes eliminating this account, stating: "This program has provided billions of taxpayer dollars to some of the largest car companies in the world, such as Ford and Nissan, to help increase the fuel efficiency of the vehicles they sell – a feature that should be driven by demand from consumers, not government subsidies."

Advanced Research Projects Agency - Energy (ARPA-E): The bill does not include funds for ARPA-E.

National Nuclear Security Administration (NNSA): The NNSA is appropriated a total of \$13.914 billion, a level that is \$17 million below the president's budget request and \$976 million above the FY 2017 enacted level. The NNSA is a semi-autonomous agency within the U.S. Department of Energy that is charged with sustaining our nuclear weapons, maintaining naval nuclear reactors, and promoting nonproliferation efforts.

Weapons Activities: Within the NNSA, the Weapons Activities account is appropriated \$10.239 billion, a level that is equal to the president's budget request and \$921 million above the FY 2017 enacted level. This account provides for the security, safety, and reliability of the U.S. nuclear weapons stockpile, including life extension programs for current warheads.

Defense Nuclear Nonproliferation: Within the NNSA, Defense Nuclear Nonproliferation is appropriated \$1.825 billion, a level that is \$17 million below the president's budget request and \$77 million below the FY 2017 enacted level. This account supports efforts to prevent the spread of nuclear weapons.

The bill includes \$340 million for the construction of the Mixed Oxide (MOX) Fuel Fabrication Facility project, and prohibits the use of funds to terminate the project.

Naval Reactors: Within the NNSA, Naval Reactors is appropriated \$1.486 billion, a level that is \$6.2 million above the president's budget request and \$66 million above the FY 2017 enacted level. This account supports the development, operations and maintenance, and disposal of nuclear propulsion systems for the Navy.

Defense Environmental Cleanup: The Defense Environmental Cleanup program is appropriated \$5.405 billion, a level that is \$132 million below the president's budget request and equal to the FY 2017 enacted level. This program is responsible for the cleanup of contamination at sites where defense related nuclear research and production were carried out.

Power Marketing Administrations: The bill provides a total net appropriation of \$105 million for the four power marketing administrations (<u>Bonneville</u>, <u>Southeastern</u>, <u>Southwestern</u>, and <u>Western Area</u>), a level that is equal to the president's budget request, \$2 million below the FY 2017 enacted level. These power marketing administrations produce and sell hydroelectric power. The Southwestern and Western Area power administrations receive appropriated subsidies, while the Bonneville and Southeastern power administrations utilize offsetting collections and do not receive a net appropriation.

Federal Energy Regulatory Commission (FERC): FERC is funded at \$347 million, a level that is equal to the president's budget request and \$21 million above the FY 2017 enacted level. FERC revenues are established at a rate equal to funding, resulting in no net appropriation. FERC regulates the interstate commerce of energy, including electricity, natural gas, and oil.

Title IV: Independent Agencies

Net Total Discretionary in Thousands of Dollars

FY17 Enacted	FY18 President Request	FY18 House Level	FY18 vs 17 Enacted	FY18 vs President
349,227	209,542	357,062	+ 7,835	+ 147,520

The Independent Agencies funded by the bill are appropriated \$357 million, a level that is \$148 million above the president's budget request and \$8 million above the FY 2017 enacted level.

Regional Commissions: The bill provides a net total of \$161 million in appropriations to five regional commissions, a level that is \$124 million above the president's budget request and \$41 million below the FY 2017 enacted level.

The president's budget recommended shutting down the commissions, and the only funds requested were for shut down costs.

The <u>RSC Budget</u> proposes eliminating these commissions, stating: "These economic development programs are duplicative of other programs and spend federal funding for local projects. Not only is the federal government out of money, but also it is ill-equipped to adequately prioritize local infrastructure and development projects."

A table showing the funding levels for the five regional commissions is below:

(Dollar figures in thousands)	FY18 House Level	Vs. FY17 Enacted	Vs. President Request
Appalachian			•
Regional Commission (ARC)	130,000	-22,000	+ 103,340
Delta Regional Authority (DRA)	15,000	-10,000	+12,500
Denali Commission	11,000	-4,000	+3,700
Northern Border	5,000	-5,000	+4,150
Regional Commission (NBRC)	3,000	-5,000	+4,130

Southeast Crescent			
Regional	250	0	+ 250
Commission			

Nuclear Regulatory Commission (NRC): The NRC receives a net appropriation of \$159 million, a level that is \$24 million above the president's budget request and \$49 million above the FY 2017 enacted level. The bill provides an appropriation of \$939 million which is offset by \$780 million in revenues. The bill directs \$30 million to continue adjudication of the Yucca Mountain license application.

MAJOR POLICY PROVISIONS:

Navigable Waters (WOTUS): Section 108 of the bill allows the Army Corps of Engineers and the Environmental Protection Agency (EPA) to withdraw the rule changing the definition of "navigable waters" under the Clean Water Act. In 2014, the EPA and the Corps proposed regulations that would reverse the long-standing definition of what waters would be regulated by the Clean Water Act. These regulations would place significant permitting and regulatory costs on many property owners.

Fill Material Regulations: Section 107 of the bill prohibits the Army Corps of Engineers from requiring a permit for the discharge of dredged or fill material under the Clean Water Act for agricultural activities under Section 404 of the CWA.

Firearms on Army Corps Property: Section 109 of the bill permanently prohibits the Army Corps from adopting regulations that ban individuals not otherwise prohibited from possessing a firearm. In 2009, legislation was enacted that allowed the possession of firearms on property controlled by the National Park Service and National Wildlife Refuge System.

Strategic Petroleum Reserve Sale: Sec 307 of the bill requires the Secretary of Energy to draw down and sell up to \$8.4 million of crude oil from the SPR in FY 2018. This draw down and sale is in addition to the required sales pursuant to the <u>Bipartisan Budget Act of 2015</u> and the <u>21st Century Cures Act</u>. The bill further provides that the proceeds from this sale shall be made available for the costs of the sales authorized by the Bipartisan Budget Act of 2015 and the 21st Century Cures Act.

Yucca Mountain: The bill prohibits any funds to be used to close Yucca Mountain.

National Ocean Policy: The bill prohibits any funds to be used to implement the <u>National Ocean Policy</u> under Executive Order 13547.

Prohibition on Assistance to Russia: The bill includes a provision that would prohibit the use of nonproliferation funds to enter into new contracts with, or new agreements for Federal assistance to, the Russian Federation.

Analysis of Tax Policy: The <u>Committee Report</u> directs the Department of Energy to prepare an analysis for the Appropriations Committees "evaluating the effects of a Zero Emissions Energy Credit that replaces existing renewable energy subsidies … with a graduated tax credit."

<u>Unauthorized Appropriations:</u> The bill includes \$8.7 billion in appropriations for 20 non-defense programs that are not authorized by law. Several of these programs have not been authorized since the 1980's and one has never been authorized by Congress.

The inclusion of appropriations for these programs in the reported bill is in violation of <u>clause 2(a)(1) of</u> rule XXI of the Rules of the House.

COMMITTEE ACTION:

The Defense Appropriations bill was marked up on <u>June 29, 2017</u>, and reported by a voice vote.

The Military Construction and Veterans Affairs Appropriations bill was marked up on <u>June 15, 2017</u>, and reported by a voice vote.

The Energy and Water Appropriations bill was marked up on July 12, 2017, and reported by a voice vote.

The Legislative Branch Appropriations bill was marked up on <u>June 29, 2017</u>, and reported by a voice vote.

ADMINISTRATION POSITION:

According to the <u>Statement of Administration Policy</u>, "If H.R. 3219 were presented to the President in its current form, his advisors would recommend that he sign the bill into law."

CONSTITUTIONAL AUTHORITY:

"Congress has the power to enact this legislation pursuant to the following: Pursuant to clause 7(c) of rule XII of the Rules of the House of Representatives, the following statement is submitted regarding the specific powers granted to Congress in the Constitution to enact the accompanying bill or joint resolution. The principal constitutional authority for this legislation is clause 7 of section 9 of article I of the Constitution of the United States (the appropriation power), which states: "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law" In addition, clause 1 of section 8 of article I of the Constitution (the spending power) provides: "The Congress shall have the Power . . . to pay the Debts and provide for the common Defence and general Welfare of the United States" Together, these specific constitutional provisions establish the congressional power of the purse, granting Congress the authority to appropriate funds, to determine their purpose, amount, and period of availability, and to set forth terms and conditions governing their use."

NOTE: RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.

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